

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:3263
ANSWERED ON:22.12.2008
DECLINE IN SALE OF COMPUTERS
Pallani Shamy Shri K.C .

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the sale of computers have registered sharp decline during the current year in comparison to the previous years in the country;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether steps have been taken to boost the sale of computers in the country;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI JYOTIRADITYA M. SCINDIA)

(a) and (b): According to Manufacturers' Association for Information Technology (MAIT), the growth of sales of Personal Computers (PC) in the country is estimated to be 4% during January-December, 2008, as compared to a growth of 16% during the corresponding period last year. The decline is owing to two reasons. On the one hand, strengthening of US Dollar against the Rupee in the last six months has led to increased cost of imported inputs, while on the other, the global economic slowdown is now impacting domestic consumption in India.

(c) and (d): A number of steps have been taken by the Government to promote electronics hardware manufacturing, including computers, in the country, as listed at Annexure. Specifically, excise duty on computers has been reduced from 12% to 8%. Microprocessors, Hard Disc drives, Floppy Disc Drives, CD ROM Drives, DVD Drives/DVD Writers, Flash Memory and Combo-Drives are exempted from excise duty. These steps have been taken to bring down the cost of computers and hence, boost the sales of computers in the country.

(e): Does not arise.